

Organizational Change Strategy

Prepared by:

Change Management Team

Introduction

- This State of North Carolina BEACON HR/Payroll Project Organizational Change Strategy is intended to define an **overall change management approach** that the Change / Communication Team will follow. It includes:
 - A blueprint for change management activities required for the North Carolina BEACON HR/Payroll Project;
 - A guide to interacting with Project Management Office (PMO), Project Teams (e.g., Functional, Integration and Technical Teams), Change Management Oversight Committee (CMOC), and the broader “change network” of regional, university and agency BEACON Support Team (BST) members;
 - Guidance on specific change management activities.
- The Organizational Change Strategy is a **living document** that should be:
 - Updated and expanded as the Project progresses;
 - Followed by development of more detailed change management activity approaches and plans for each phase of the Project.

Table of Contents

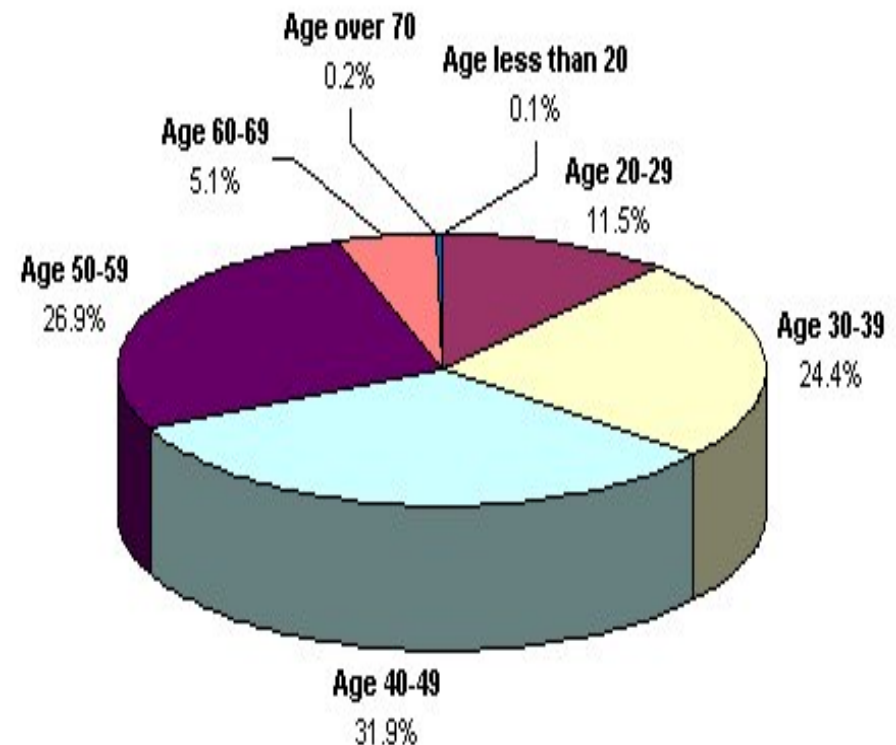
Topic	Page
▪ Executive Summary.....	4
▪ Assess and Monitor Risk	17
▪ Mobilize and Align Leaders	23
▪ Engage and Communicate with Stakeholders	29
▪ Prepare and Equip the Workforce	36
▪ Address Organizational Implications	47
▪ Measuring Organizational Change	53
▪ Next Steps	58

Executive Summary

Setting the Stage for Change

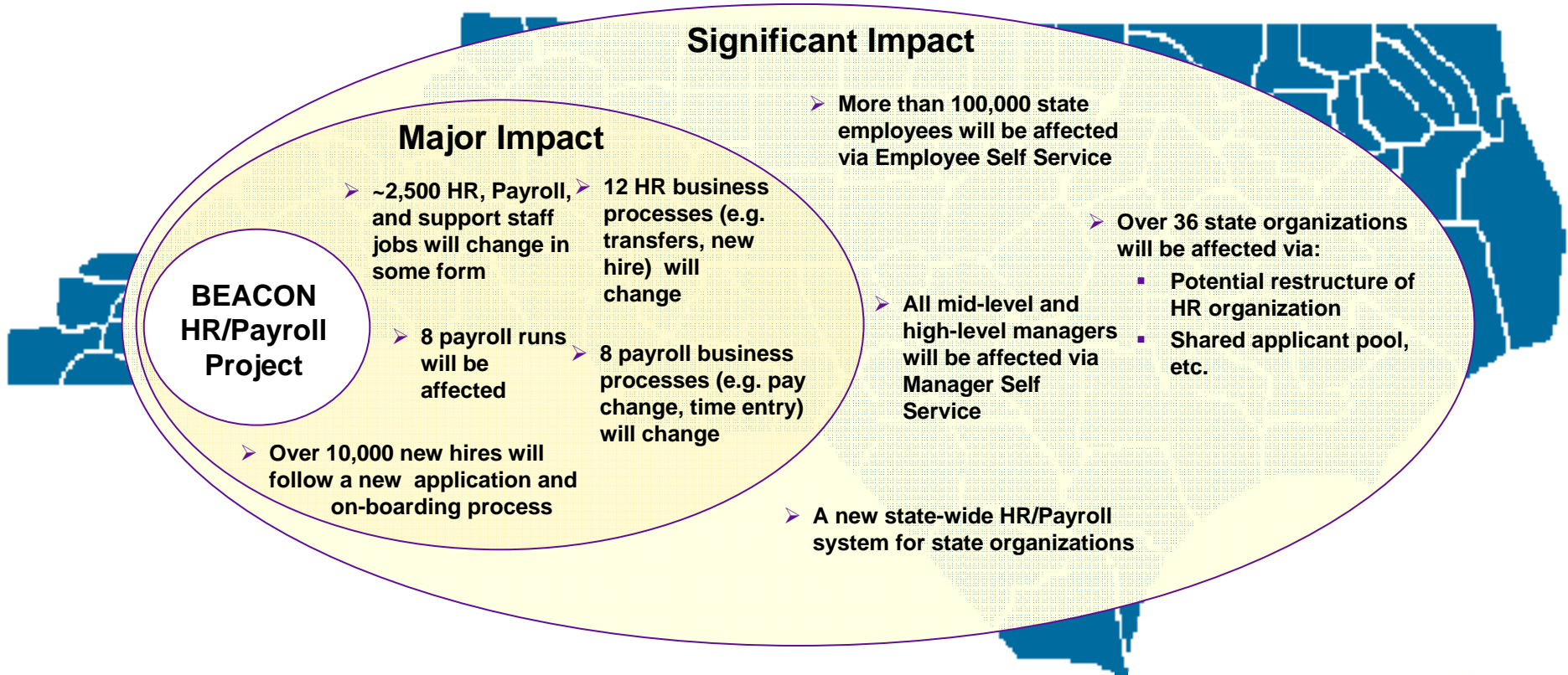
- The State of North Carolina has an aging workforce and faces stiff competition in the future labor market:
 - Current recruitment and retention capabilities need to be improved to address forecasted labor and skills shortages associated with retiring baby-boomers;
 - Next generation of employees will demand online visibility to HR and payroll details.
- The BEACON HR/Payroll Project will enable the State to work better and smarter to meet future service needs as the demand for state services continues to grow, and the size of its' workforce is reduced through retirements.

State of North Carolina Employee Age Statistics



The Scope of Change in North Carolina

- The impact of the BEACON HR/Payroll Project on North Carolina government (its agencies, universities, managers, employees, business processes, etc.) will be **significant**, and the challenges it presents **should not be underestimated**.



Large Technology Projects are Risky






Research Shows That Major Technology Programs Rarely Meet Expectations



Change management improves implementation success rates!

Large Technology Projects Risks Are “People” Related

“Through 2005, more than 80% of failed technology implementations will be caused by people, processes and politics, rather than poor technology implementation.” - Gartner Group Study

<u>Type of Risk</u>	<u>Status Today</u>	<u>Risk Level</u>
Product Risk	High Quality Software	
Technical Risk	Proven Technical Platforms	
Project Management	Proven Methodologies	
Achieve ROI Benefits	Lack of Clear Business Value	
User Adoption	Highly Dependent on Culture & People	

Change Management Objectives



Focus on Issues and Risk

- Address the “people” issues and risks associated with the BEACON HR/Payroll Project to promote a successful implementation

Implementation and Benefit Realization

- Increases the probability of a successful BEACON HR/Payroll Project implementation and accelerate benefit realization by:
 - Creating awareness, understanding, and urgency within the State concerning changes in HR and Payroll processes
 - Preparing and equipping state leaders and employees to thrive in the new BEACON HR/Payroll environment

Collaborative Process

- Focus on helping the State of North Carolina implement the BEACON HR/Payroll Project across the traditional state agency silos

Change Management is Risk Management

- BEACON HR/Payroll Project presents great opportunities, but also poses significant implementation risks
- Implementing the BEACON HR/Payroll Project requires addressing a number of “people” related risks comprised of:
 - Political issues
 - Cultural issues
 - Personal issues
- BEACON HR/Payroll change management approach requires that “people” related risks be managed for successful implementation

Most Common BEACON HR/Payroll “People” Risks



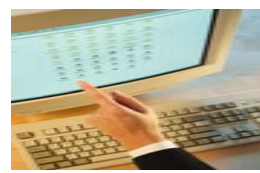
- State leaders not engaged in the process



- Interruptions of day-to-day state operations



- State organizations feel that they have little or no input



- Pressure to preserve local state systems and processes



- State employee morale suffers in uncertain environment



- Simultaneous rollout of other state initiatives



- State employees confused about new HR/Payroll processes



- State employees not adequately prepared to execute



- Scope is beyond state organizations' capability to execute



- State's ability to implement a new HR/Payroll shared services strategy

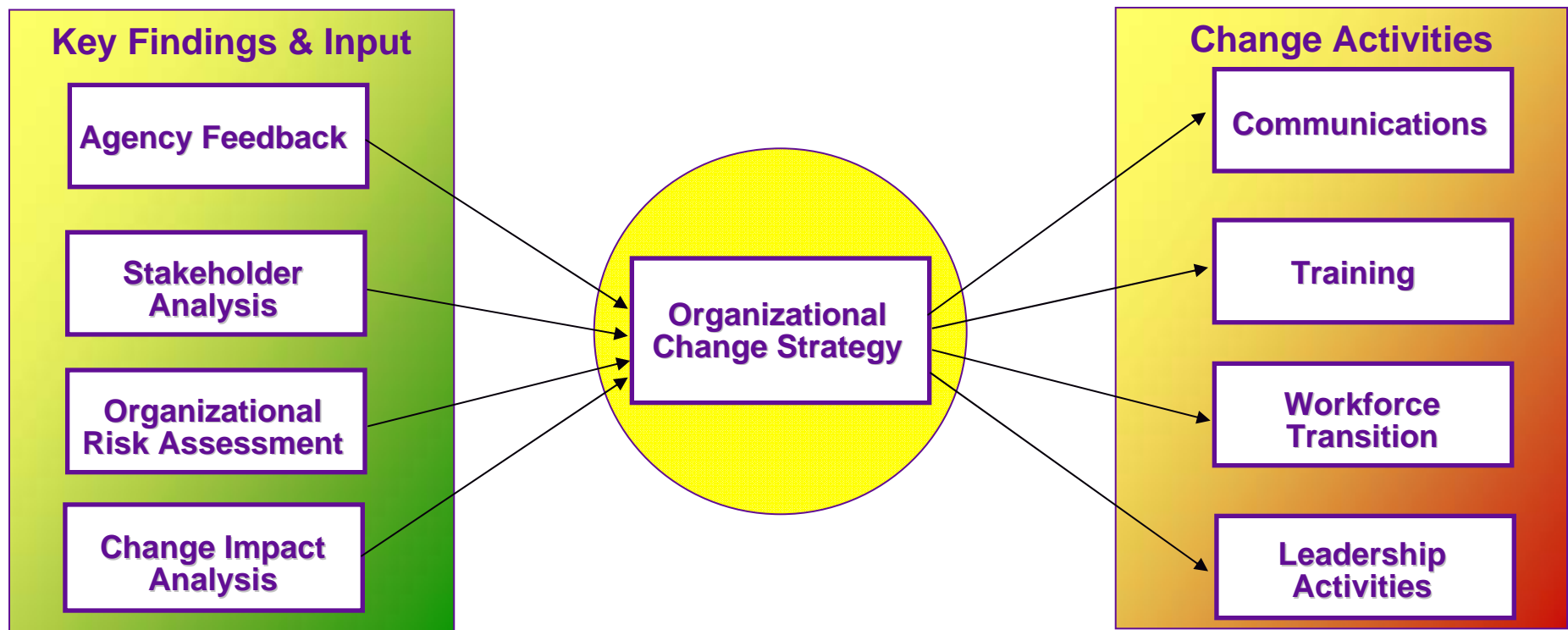
BEACON HR/Payroll “People” Risks Can Be Costly

- Project overruns and delays due to missed milestones
- Workforce ill-equipped to be effective in the new environment
- Inconsistent acceptance of changes across the State
- Significant remedial work needed after implementation
- Workforce morale and performance decline
- Project leaders’ credibility and reputation suffer
- In-adherence to new processes and procedures

**Key risks need to be identified and addressed early in the
BEACON HR/Payroll Project**

Organizational Change Strategy Purpose

Based on the feedback we collect from agencies, the BEACON HR/Payroll Project Team will develop a organizational change strategy that provides the basis to plan and prepare everyone for the new system.



Organizational Change Strategy Focus Areas

Address Organizational Implications



Assess & Monitor Organizational Risk



The Organization Change Strategy focuses on mitigating organizational risks and aligning agencies across the State to enable a successful project implementation.

Mobilize & Align Leaders








Prepare & Equip the Workforce



Engage & Communicate with Stakeholders



Change Management Activities and Deliverables by Phase

	Project Prep	Blueprint	Realization	Final Prep	Go-Live
Assess & Monitor Organizational Risk 		<ul style="list-style-type: none"> Stakeholder Analysis Organizational Risk & Readiness Assessment 		<ul style="list-style-type: none"> End User Readiness Assessment 	
Mobilize & Align Leaders 	<ul style="list-style-type: none"> Articulate Case for Change* 	<ul style="list-style-type: none"> Organizational Change Strategy BEACON Support Teams* Change Management Oversight Committee* 	<ul style="list-style-type: none"> Leadership Strategy and Action Plans* BEACON Support Teams* Change Management Oversight Committee* 	<ul style="list-style-type: none"> BEACON Support Teams* Change Management Oversight Committee* 	<ul style="list-style-type: none"> BEACON Support Teams* Change Management Oversight Committee*
Engage & Communicate with Stakeholders 	<ul style="list-style-type: none"> Start-Up Communications Plan External Kickoff Meeting 	<ul style="list-style-type: none"> Update/Execute Communications Plan Awareness & Feedback Events* 	<ul style="list-style-type: none"> Update/Execute Communications Plan Awareness & Feedback Events* 	<ul style="list-style-type: none"> Update/Execute Communications Plan Awareness & Feedback Events* 	<ul style="list-style-type: none"> Communications Go-Live Implementation Support
Prepare & Equip the Workforce 		<ul style="list-style-type: none"> Knowledge Transfer Strategy Training Strategy Workforce Transition Planning Workshop* 	<ul style="list-style-type: none"> Role Descriptions & Mapping Job Impact Assessment Workforce Transition Strategy & Plan 	<ul style="list-style-type: none"> Workforce Transition Checklist/Scorecard 	<ul style="list-style-type: none"> Workforce Transition Go-Live Implementation Support*
Address Organizational Implications 			<ul style="list-style-type: none"> Job Design & Descriptions Organizational Change Design 	<ul style="list-style-type: none"> Organizational Design Checklist/Scorecard 	<ul style="list-style-type: none"> Organization Design Go-Live Implementation Support*

Organizational Change Strategy Focuses on What Works

Change Management activities required to move the State from its current structure and processes to the future BEACON HR/Payroll processes and shared services structure will focus on:

- Addressing project risks, not changing the State's culture
- Identifying – and beginning to address – people risks from the outset
- Driving state leaders to consensus on key issues
- Leveraging individual state leaders and their strengths
- Emphasizing state stakeholder events to drive understanding and acceptance
- “Taking the pulse” of state organizations – “Are we winning over the hearts and minds of those most affected by this?”
- Developing workforce strategies and plans early enough to ensure readiness
- Anticipating and addressing state organizational implications

Assess and Monitor Organizational Risk

Assess & Monitor Organizational Risk Strategy Focus

Assess & Monitor Organizational Risk



- Change Management deliverables and activities in this area focus on:
 - Identifying key groups of stakeholders who can affect the success of the BEACON HR/Payroll Project
 - Assessing the State's organizational change readiness and people related risks
 - Recommending ways to mitigate risks and improve change readiness
 - Conducting final prep end-user readiness assessments to determine if all activities needed to prepare end users to effectively use the new BEACON HR/Payroll solution have been completed

Mobilize & Align Leaders



Engage & Communicate with Stakeholders



Assess & Monitor Risk Challenges

CHANGE CHALLENGES IDENTIFIED	CHANGE ACTIVITIES TO ADDRESS CHALLENGES
<ul style="list-style-type: none"> ▪ The political environment needs to be monitored in order to be proactive to changes in the political focus due to leadership changes associated with elected officials and political appointments ▪ Many state workers have been in their current position for an extended period of time without any previous process or system changes, and are concerned that they lack the skills required to use the new technology ▪ Changes in existing systems and processes will cause some state employees to leave their roles rather than learn new process and technology ▪ Past state projects have often been seen as “Raleigh” initiatives and lacked local/regional buy-in and support 	<p><i>Blueprint Phase</i></p> <ul style="list-style-type: none"> ▪ Stakeholder Analysis ▪ Organizational Risk & Readiness Assessment <p><i>Final Prep Phase</i></p> <ul style="list-style-type: none"> ▪ End User Readiness Assessment

Stakeholder Analysis

WORK PRODUCT	DESCRIPTION	USE	KEY ACTIVITIES
Stakeholder Analysis	<ul style="list-style-type: none"> Identifies key people and groups throughout the State (e.g., Agency / Deputy Secretaries, HR Directors, State Personal Commission, etc.) who can affect the success of the BEACON HR/Payroll Project and analyzes anticipated expectations and reactions to the Project Stakeholder Analysis Report developed based on input from agency Human Resource Directors and BEACON HR/Payroll Project Team members 	<ul style="list-style-type: none"> Provides BEACON Change / Communication Team members with basic knowledge about key stakeholder groups Enables development of appropriate BEACON HR/Payroll communication plans to engage and meet stakeholder expectations Provides input to the Training Strategy and Workforce Transition Strategy 	<ul style="list-style-type: none"> Activity 1: Define framework for stakeholder analysis Activity 2: Conduct stakeholder analysis session with select project team members and state employees Activity 3: Distribute survey to agency HR Directors to collect stakeholder job impact information Activity 4: Develop and populate stakeholder analysis matrix Activity 5: Analyze survey information by agency Activity 6: Created Stakeholder Analysis Report

Organizational Risk & Readiness Assessment

WORK PRODUCT	DESCRIPTION	USE	KEY ACTIVITIES
Organizational Risk and Readiness Assessment	<ul style="list-style-type: none"> ▪ To create this assessment, 8 focus group sessions with 74 BEACON Support Team (BST) Sponsors and Leads, 4 focus group sessions with 69 agency Subject Matter Experts, 13 agency leadership interviews, and 6 Project Team Leader interviews were conducted to identify risks that could impair the successful implementation of the BEACON HR/Payroll Project ▪ Risk mitigation actions were recommended as part of this deliverable 	<ul style="list-style-type: none"> ▪ Provides a fact-based approach to help state and project leaders understand “people” issues that can jeopardize project success ▪ Provides input for development of leadership strategy and action plans that address risks ▪ Enables well grounded workforce transition strategies and plans ▪ Helps shape training strategies and plans 	<ul style="list-style-type: none"> ▪ Activity 1: Review results from stakeholder analysis ▪ Activity 2: Prepare and interview key state agency and project team leaders ▪ Activity 3: Prepare and conduct focus group sessions with BEACON Support Team Sponsors, Team Leads and Subject Matter Experts ▪ Activity 4: Analyze and prioritize risks into main themes and identify risk mitigation actions ▪ Activity 5: Present findings to BEACON HR/Payroll Project PMO, Steering Committee, Change Oversight Committee, Functional/Technical Project Teams, and BST members

End User Readiness Assessment

WORK PRODUCT	DESCRIPTION	USE	KEY ACTIVITIES
End User Readiness Assessment	<ul style="list-style-type: none"> ▪ In the Final Prep Phase of the BEACON HR/Payroll Project, the BEACON Change / Communications Team will evaluate the State's organizational readiness to go-live with the Project ▪ Based on this assessment contingency plans will be developed and put into action 	<ul style="list-style-type: none"> ▪ Enables the State to identify potentially costly risks (in terms of money, time, and commitment across its agencies and universities) prior to the Project going live ▪ The assessment will examine a number of areas such as are all affected state employees assigned to appropriate SAP user roles, trained on new user roles, and transitioned to new organizations and jobs 	<ul style="list-style-type: none"> ▪ Activity 1: Define end user readiness assessment and contingency planning framework ▪ Activity 2: Conduct end user readiness assessment ▪ Activity 3: Develop contingency plans ▪ Activity 4: Facilitate implementation of contingency plans

Mobilize and Align Leaders

Mobilize & Align Leaders Strategy Focus

Assess & Monitor Risk



Address Organizational Implications



Mobilize & Align Leaders



Prepare & Equip the Workforce



- Change Management deliverables and activities in this area focus on:
 - Creating a guiding coalition of state leaders with a common operational vision for the BEACON HR/Payroll Project
 - Building foundational agreements critical to the successful implementation of the Project
 - Assisting state leaders in knowing what they can do to support the Project's implementation

Mobilize & Align Leaders Challenges

CHANGE CHALLENGES IDENTIFIED	CHANGE ACTIVITIES TO ADDRESS CHALLENGES
<ul style="list-style-type: none"> ▪ The scale of the project and large number of state organizations affected by the changes will require the BEACON HR/Payroll Project to develop a strategic approach to leadership alignment ▪ Past state projects have had dual leadership and sponsorship which has often lead to misalignment of issues; the BEACON HR/Payroll Project is lead by a Steering Committee with sponsorship by OSP and OSC ▪ Leadership support for the BEACON HR/Payroll Project varies by state organization; leadership support is higher in larger organizations and lower in smaller organizations ▪ State leaders have not played an active role in communicating about the BEACON HR/Payroll Project to their employees 	<p><i>Project Prep Phase</i></p> <ul style="list-style-type: none"> ▪ Articulate Case for Change <p><i>Blueprint Phase</i></p> <ul style="list-style-type: none"> ▪ Beacon Support Teams ▪ Change Management Oversight Committee <p><i>Realization Phase</i></p> <ul style="list-style-type: none"> ▪ Leadership Strategy & Action Plans ▪ Beacon Support Teams ▪ Change Management Oversight Committee <p><i>Final Prep Phase</i></p> <ul style="list-style-type: none"> ▪ Beacon Support Teams ▪ Change Management Oversight Committee <p><i>Go-Live Phase</i></p> <ul style="list-style-type: none"> ▪ Beacon Support Teams ▪ Change Management Oversight Committee

Articulate Case for Change

WORK PRODUCT	DESCRIPTION	USE	KEY ACTIVITIES
Articulate Case for Change	<ul style="list-style-type: none"> Summarizes rationale for why the State needs the BEACON HR/Payroll system and explains consequences and costs of inaction ("do-nothing scenario") The case for change also describes benefits for changing from reliance on 20-30 years old technology systems that do not communicate well with each other to the implementation of SAP's HR/Payroll software solution 	<ul style="list-style-type: none"> Provides systematic method for quickly identifying the State's BEACON HR/Payroll Project business objectives Allows the development of communication material such as the "BEACON HR/Payroll: Building Enterprise Access for NC's Core Operation Needs" brochure Provides input to Leadership Strategy and Action Plans 	<ul style="list-style-type: none"> Activity 1: Review Statewide Business Infrastructure Program (SBIP) objectives and material Activity 2: Prepare and meet with state and BEACON HR/Payroll Project leaders to obtain clarification on business needs and objectives Activity 3: Validate BEACON HR/Payroll Project case for change based on input from SBIP material review and leadership interviews Activity 4: Refine BEACON HR/Payroll Project case for change based on input from the Stakeholder Analysis, and Organizational Risk and Readiness Assessment

Change Governance Model

WORK PRODUCT	DESCRIPTION	USE	KEY ACTIVITIES
BEACON Support Teams (BSTs) & Change Management Oversight Committee (CMOC)	<ul style="list-style-type: none"> CMOC provides clear guidelines for the BEACON HR/Payroll Project Change / Communication Team, and escalation of change management issues to the Steering Committee CMOC creates decision rules to guide, simplify, and speed decision-making on change management issues BST's execute change management, communication and workforce transition activities within state organizations 	<ul style="list-style-type: none"> Establish Agency / University BEACON Support Teams (BSTs) to facilitate and execute change management strategies and plans Establish Change Management Oversight Committee CMOC to sets direction for change management approaches CMOC & BSTs interact with Standardization Committee to make process & policy recommendations to PMO 	<ul style="list-style-type: none"> Activity 1: Review BEACON HR/Payroll Stakeholder Analysis Activity 2: Identify participants for Change Management Oversight Committee and BEACON Support Teams Activity 2: Develop Change Management Oversight Committee and BEACON Support Team kick-off materials and launch teams Activity 3: Prepare for and conduct monthly Change Management Oversight Committee and BEACON Support Team meetings

Leadership Strategy and Action Plans

WORK PRODUCT	DESCRIPTION	USE	KEY ACTIVITIES
Leadership Strategy and Action Plans	<ul style="list-style-type: none"> Consists of a series of structured conversations with the BEACON HR/Payroll PMO, Change Management Oversight Committee, BEACON Support Teams, Project Steering Committee and agency leaders Includes feedback from BEACON HR/Payroll Organizational Risk and Readiness Assessment to focus attention on critical challenges and recommended leadership action plans to address these challenges 	<ul style="list-style-type: none"> Identifies and builds agreement among the State's top leadership teams on critical aspects of the BEACON HR/Payroll Project's major challenges to be addressed, and leadership actions needed to increase the probability of a successful project implementation 	<ul style="list-style-type: none"> Activity 1: Scope leadership action planning effort and reach agreement with the BEACON HR/Payroll PMO Activity 2: Design and conduct the leadership strategy and action planning workshop Activity 3: Meet with BEACON HR/Payroll PMO, Change Management Oversight Committee, BEACON Support Teams, Project Steering Committee to review leadership action plans Activity 4: Meet individual agency leaders to review action plans and approach for monitoring results

Engage and Communicate with Stakeholders

Engage & Communicate with Stakeholders Strategy Focus

Assess & Monitor Risk



Address Organizational Implications



Mobilize & Align Leaders



- Change Management deliverables and activities in this area focus on:

- Building state employees awareness of and commitment to the BEACON HR/Payroll “future” business processes and HR/Payroll shared services strategy
- Increasing state leaders confidence in the quality of the BEACON HR/Payroll solution and its successful implementation
- Creating feedback mechanisms and taking the pulse of state stakeholders

Engage & Communicate with Stakeholders



Engage & Communicate with Stakeholders Challenges

CHANGE CHALLENGES IDENTIFIED	CHANGE ACTIVITIES TO ADDRESS CHALLENGES
<ul style="list-style-type: none"> ▪ Numerous communications about the BEACON HR/Payroll Project have been sent to state leadership ▪ State employees have not been kept abreast of the project's progress and benefits/opportunities it will provide them ▪ State lacks central communication vehicles (e.g., email systems, news letters, etc.) to enable cascading of BEACON HR/Payroll Project communications to its employees 	<p><i>Project Prep Phase</i></p> <ul style="list-style-type: none"> ▪ Start-Up Communications Plan ▪ External Kickoff Meeting <p><i>Blueprint Phase</i></p> <ul style="list-style-type: none"> ▪ Update/Execute Communications Plan ▪ Awareness & Feedback Events <p><i>Realization Phase</i></p> <ul style="list-style-type: none"> ▪ Update/Execute Communications Plan ▪ Awareness & Feedback Events <p><i>Final Prep Phase</i></p> <ul style="list-style-type: none"> ▪ Update/Execute Communications Plan ▪ Awareness & Feedback Events <p><i>Go-Live Phase</i></p> <ul style="list-style-type: none"> ▪ Communications Go-Live Implementation Support

Start-up Communication

WORK PRODUCT	DESCRIPTION	USE	KEY ACTIVITIES
Start-up Communications Plan	<ul style="list-style-type: none"> Provides positioning statement for the BEACON HR/Payroll Project and written communications to state audiences, as required, to announce start-up of Project As part of the Start-up Communications Plan, 400 state leaders attended the BEACON HR/Payroll Kick-off Program 	<ul style="list-style-type: none"> Build awareness of the overall BEACON program and more specifically the HR/Payroll Project, its benefits, importance and priority Help assure that key state stakeholders who need to know are informed and prepared to contribute to Project in early defining phases Create confidence that the Project will be marked by open communication and knowledge sharing 	<ul style="list-style-type: none"> Activity 1: Scope and prepare start-up communications effort Activity 2: Draft start-up communication plan Activity 3: Draft and distribute start-up communications Activity 4: Draft materials and conduct external kick-off program

Updated Communication Plan

WORK PRODUCT	DESCRIPTION	USE	KEY ACTIVITIES
Communication Plan	<ul style="list-style-type: none"> ▪ Outlines the communications strategy approach for promoting the BEACON HR/Payroll Project: it incorporates face-to-face meetings, print and electronic communications, and a web site to distribute communications ▪ The Stakeholder Analysis Report and Organizational Risk and Readiness Assessment Report were used as two key inputs in the development of the Communications Plan 	<ul style="list-style-type: none"> ▪ Creates identity for BEACON HR/Payroll Project as well as awareness, interest and confidence in the Project ▪ A comprehensive change network known as the BEACON Support Teams have been created, and the Communications Plan provides an overview of how these teams will communicate within each agency 	<ul style="list-style-type: none"> ▪ Activity 1: Review Stakeholder Analysis, and Organizational Risk and Readiness Reports ▪ Activity 2: Determine communication requirements ▪ Activity 3: Develop communications survey to assess communications environment ▪ Activity 4: Determine key messages to be communicated ▪ Activity 5: Identify state audience segmentations, key messages and the optimal approach, mode, and timeline for conveying key messages to each audience ▪ Activity 6: Develop and execute Communications Plan

Awareness and Feedback Events

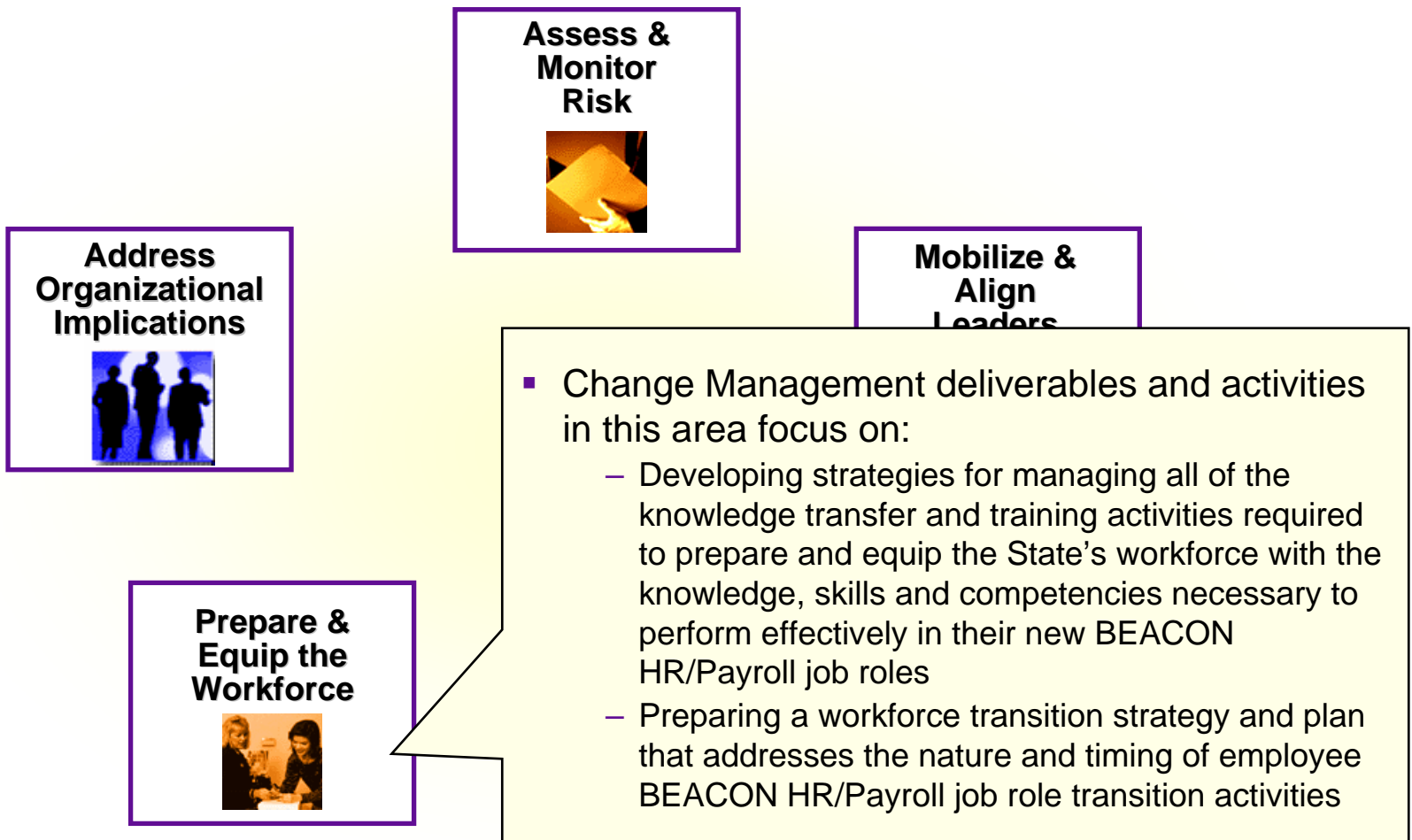
WORK PRODUCT	DESCRIPTION	USE	KEY ACTIVITIES
Awareness and Feedback Events	<ul style="list-style-type: none"> Includes coordinated events to enhance state employees' understanding about the BEACON HR/Payroll Project, and how it will impact them State leaders have an opportunity to speak and obtain stakeholder feedback: for example, the BEACON HR/Payroll Project set up a booth at the SEANC Convention to create a greater awareness of the project and obtain employee feedback 	<ul style="list-style-type: none"> Increases awareness of how the BEACON HR/Payroll Project benefits state employees Provides level of understanding of how new business processes and system functionality will impact state employees Provides feedback mechanism to Project leadership so they can monitor acceptance and implementation risks 	<ul style="list-style-type: none"> Activity 1: Develop schedule and mediums for delivering awareness events Activity 2: Identify tools for communicating with state employees (videos, presentations, feedback measurement tools, etc.) Activity 3: Coordinate delivery of events by preparing state leaders and managing logistics Activity 4: Conduct events Activity 5: Collect and analyze feedback from events to monitor acceptance and risks

Communications Go-Live Implementations Support

WORK PRODUCT	DESCRIPTION	USE	KEY ACTIVITIES
Go-Live Implementation Support	<ul style="list-style-type: none"> State leaders are provided with a go-live communication toolkit that prepares them to speak with employees about individual job impacts and changes in responsibilities Workforce Transition Strategy and Plan provide the input for development of the BEACON HR/Payroll state leaders go-live communication toolkit 	<ul style="list-style-type: none"> Allows state leaders to understand impact of BEACON HR/Payroll process, organizational, and technical changes on their employees and themselves Equips state leaders with specific information to meet with their employees 	<ul style="list-style-type: none"> Activity 1: Review Updated Communication Plan to understand audiences and timeline for interactive state employee go-live preparation events Activity 2: Review Workforce Transition Strategy and Plan and develop go-live communications toolkit Activity 3: Develop schedule and mediums for delivering go-live employee preparation events Activity 4: Coordinate delivery of go-live events by preparing state leaders and managing logistics Activity 5: Conduct employee go-live preparation events

Prepare and Equip the Workforce

Prepare & Equip Workforce Strategy Focus



Prepare & Equip Workforce Challenges

CHANGE CHALLENGES IDENTIFIED	CHANGE ACTIVITIES TO ADDRESS CHALLENGES
<ul style="list-style-type: none"> ▪ Lots of state clerical level employees are going to be transitioned into new BEACON HR/Payroll related job roles and they are concerned that adequate training support will not be provided ▪ In past state technology change initiatives training has been inadequate, it was not job specific or relevant to employees daily work activities ▪ State employees want to make sure that BEACON HR/Payroll system go-live support staff understands their business role and functions, such knowledge will be beneficial in helping to address any technical and process related questions concerning the use of the BEACON HR/Payroll system 	<p><i>Blueprint Phase</i></p> <ul style="list-style-type: none"> ▪ Knowledge Transfer Strategy ▪ Training Strategy ▪ Workforce Transition Planning Workshop <p><i>Realization Phase</i></p> <ul style="list-style-type: none"> ▪ Role Descriptions & Mapping ▪ Job Impact Assessment ▪ Workforce Transition Strategy ▪ Workforce Transition Plan <p><i>Final Prep Phase</i></p> <ul style="list-style-type: none"> ▪ Workforce Transition Checklist/Scorecard <p><i>Go-Live Phase</i></p> <ul style="list-style-type: none"> ▪ Workforce Transition Go-Live Implementation Support

Knowledge Transfer Plan

WORK PRODUCT	DESCRIPTION	USE	KEY ACTIVITIES
Knowledge Transfer Strategy	<ul style="list-style-type: none"> ▪ The Knowledge Transfer Strategy provides a road map for transferring the knowledge, skills and activities required for the State to maintain the BEACON HR/Payroll system independently ▪ This road map includes knowledge transfer in people, processes and technology to the Infrastructure, Technical Development, Functional, Change Management, Integration and Project Management Teams 	<ul style="list-style-type: none"> ▪ Enables the State to truly own the BEACON HR/Payroll program on a long-term basis ▪ Enhances the State's acceptance of the BEACON HR/Payroll program by planning for post-program structure ▪ Enables the State to better capture lessons learned 	<ul style="list-style-type: none"> ▪ Activity 1: PMO facilitates meeting with team leads to review project plan and determine key knowledge areas to be transitioned ▪ Activity 2: Change Management Team facilitates meetings with team leads to identify logical owners and stakeholders for each knowledge area ▪ Activity 3: Team leads work with team members to determine best knowledge transfer approach (training approach, shadowing, etc.) ▪ Activity 4: Change Management Team develop Knowledge Transfer Strategy including timing, roles and process to monitor progress

Training Strategy

WORK PRODUCT	DESCRIPTION	USE	KEY ACTIVITIES
Training Strategy	<ul style="list-style-type: none"> ▪ The Training Strategy outlines an approach that prepares and equips state employees with the knowledge, skills and competencies necessary to perform effectively in their BEACON HR/Payroll related job roles ▪ This strategy represents a high-level blueprint for the design, development, and delivery of end-user training that will be further refined as processes, systems and workforce impacts are clarified 	<ul style="list-style-type: none"> ▪ Identifies tailored approaches to be used in developing and delivering required training such as e-learning, self-study, and classroom options ▪ Analyzes impacted employees at a high level ▪ Identifies facilities and infrastructure requirements ▪ Recommends a training course evaluation approach 	<ul style="list-style-type: none"> ▪ Activity 1: Define training strategy vision and approach ▪ Activity 2: Define training roles and responsibilities ▪ Activity 3: Estimate BEACON HR/Payroll end users by functionality ▪ Activity 4: Identify training delivery and post training support requirements ▪ Activity 5: Define curriculum design approach ▪ Activity 6: Create training strategy

Workforce Transition Planning Workshop

WORK PRODUCT	DESCRIPTION	USE	KEY ACTIVITIES
Workforce Transition Planning Workshop	<ul style="list-style-type: none"> ▪ To develop the strategies, policies, and procedures that will be used to direct the transition of employees impacted by the BEACON HR/Payroll solution in new job roles and organizational structures ▪ Organizational impacts identified during the Blueprint “future state” process design develop activities will be used as a key input to this planning workshop 	<ul style="list-style-type: none"> ▪ Clarify interdependencies and timing between business process design, workforce transition, training and communication activities ▪ Determine impact to the State’s HR policies and procedures that are required to support the BEACON HR/Payroll workforce transition effort 	<ul style="list-style-type: none"> ▪ Activity 1: Confirm approach for workforce transition ▪ Activity 2: Develop materials for workforce transition planning workshop ▪ Activity 3: Schedule workforce transition planning workshop and invite participants ▪ Activity 4: Conduct workforce transition planning workshop ▪ Activity 5: Document workforce transition planning workshop outcomes

Role Descriptions & Mapping

WORK PRODUCT	DESCRIPTION	USE	KEY ACTIVITIES
Role Descriptions & Mapping	<ul style="list-style-type: none"> Job role mapping provides a roadmap for managing all of the BEACON HR/Payroll job changes that will impact the State's workforce It provide state organizations with an understanding of how jobs will be changing, and guides the development and/or updating of their BEACON HR/Payroll related job descriptions 	<ul style="list-style-type: none"> Identify what jobs will be impacted the most by BEACON HR/Payroll changes and in which organizations Identify what jobs will be redundant and what new jobs will be needed as a result of BEACON HR/Payroll changes Determine what new knowledge and skills will be needed as a result of Job role changes 	<ul style="list-style-type: none"> Activity 1: Develop role descriptions and mapping approach guide Activity 2: Develop and validate initial SAP user role descriptions and responsibilities Activity 3: Identify required knowledge and skills Activity 4: Develop and conduct agency/university role mapping workshops Activity 5: Map SAP user roles to agency/university job titles Activity 6: Assign SAP user role to each impacted state employee Activity 7: Document role mapping outcomes in database

Job Impact Assessment

WORK PRODUCT	DESCRIPTION	USE	KEY ACTIVITIES
Job Impact Assessment	<ul style="list-style-type: none"> Provides high level assessment of how the BEACON HR/Payroll Project will impact state jobs as well as how employees may be impacted by job changes Provides input to the revision and/or creation of state job descriptions Provides input into the creation of workforce transition strategies and plans to address state job impacts 	<ul style="list-style-type: none"> Provides state leaders with an understanding of how BEACON HR/Payroll related job role changes will impact employees within state organizations Provides input into the creation of a Workforce Transition Strategy and Workforce Transition Plan to address employee impacts at each state organization 	<ul style="list-style-type: none"> Activity 1: Develop job impact assessment approach guide Activity 2: Develop & conduct state organization job impact assessment workshops Activity 3: Conduct current HR/Payroll job assessment Activity 4: Create future HR/Payroll job roles & responsibilities matrix Activity 5: Identify effects on current organization jobs Activity 6: List role & responsibility requirements to address changes by job Activity 7: Create Job Impact Assessment final report Activity 8: Create/distribute job impact communication

Workforce Transition Strategy

WORK PRODUCT	DESCRIPTION	USE	KEY ACTIVITIES
Workforce Transition Strategy	<ul style="list-style-type: none"> ▪ The Workforce Transition (WFT) Strategy will identify how state organizations will address workforce transition issues that result from new structures and jobs required to implement the new BEACON HR/Payroll system and processes ▪ Results from the BEACON HR/Payroll Job Impact Assessment, Job Design & Organization Change Design activities provide input to the development of the WFT strategy 	<ul style="list-style-type: none"> ▪ The WFT Strategy identifies the degree of change required from the State's workforce and will facilitate agreement among senior leaders about the way people will be treated as well as the approach to managing the workforce transition into new BEACON HR/Payroll related organizational structures and jobs 	<ul style="list-style-type: none"> ▪ Activity 1: Determine goals for workforce transition strategy ▪ Activity 2: Determine role of state leadership in workforce transition process ▪ Activity 3: Identify current state HR policies and procedures that will have to change ▪ Activity 4: Develop workforce transition strategy approach guide ▪ Activity 5: Develop & conduct state organization workforce transition strategy workshops ▪ Activity 6: Develop/modify WFT policies & procedures ▪ Activity 7: Create Workforce Transition Strategy Report

Workforce Transition plan

WORK PRODUCT	DESCRIPTION	USE	KEY ACTIVITIES
Workforce Transition Plan	<ul style="list-style-type: none"> ▪ The Workforce Transition (WFT) Plan states the nature and timing of state workforce transition activities required to implement the BEACON HR/Payroll system, business processes and shared services strategy ▪ The WFT Plan provides input to the Workforce Transition Checklist 	<ul style="list-style-type: none"> ▪ Determines activities required to shift, exit or hire employees due to requirements for the implementation of the BEACON HR/Payroll Project ▪ Provides plan to manage the transition of employees in state organizations who's current job may be eliminated, changed substantially and/or moved to a shared services organization 	<ul style="list-style-type: none"> ▪ Activity 1: Develop workforce transition planning approach guide ▪ Activity 2: Develop & conduct state organization workforce transition planning workshops ▪ Activity 3: Identify & document number & location of impacted employees ▪ Activity 4: Develop workforce transition training plan ▪ Activity 5: Develop workforce transition communication plan ▪ Activity 6: Develop workforce transition mid-manger preparation plan ▪ Activity 7: Develop workforce transition implementation plan

Workforce Transition Checklist

WORK PRODUCT	DESCRIPTION	USE	KEY ACTIVITIES
Workforce Transition Checklist	<ul style="list-style-type: none"> ▪ The Workforce Transition (WFT) Checklist is an itemization of activities to complete job role responsibility transitions before go-live ▪ The WFT Plan provides the input for the development of this checklist 	<ul style="list-style-type: none"> ▪ The WFT Checklist includes the following types of items: <ul style="list-style-type: none"> – WFT Strategy and Plan approved and communicated to state managers and supervisors – State organizations have reviewed and approved changes to affected jobs or organizational structures – State managers and supervisors have been prepared to speak with employees about the changes that will affect them 	<ul style="list-style-type: none"> ▪ Activity 1: Define workforce transition checklist framework ▪ Activity 2: Conduct workforce transition checklist review at each state organization ▪ Activity 3: Evaluate workforce transition checklist issues at BST Sponsor and Lead Meetings ▪ Activity 4: Conduct workforce transition checklist issue contingency planning workshops with Change Management Oversight Committee to keep the State's workforce transition on schedule

Address Organizational Implications

Address Organizational Implications Strategy Focus

Assess & Monitor Risk



Address Organizational Implications



Prepare & Equip the Workforce



- Change Management deliverables and activities in this area focus on:
 - Identifying the nature of any changes to state jobs required to implement and support BEACON HR/Payroll improved business processes
 - Identifying the nature of any changes to state organizational structures required to implement and support BEACON HR/Payroll improved business processes and shared services strategy

Organizational Implications & Challenges

CHANGE CHALLENGES IDENTIFIED	CHANGE ACTIVITIES TO ADDRESS CHALLENGES
<ul style="list-style-type: none"> State employees are unclear how their job roles will change as a result of the BEACON HR/Payroll Project Some state employees may face major changes in their job roles due to automation and reclassification of responsibilities State employees are concerned that the BEACON HR/Payroll system and process changes will take away agency control over various functions and jobs State employees are worried that there will be a loss of jobs due to more standardized, integrated and automated job functions across state organizational boundaries (i.e., shared services) 	<p><i>Realization Phase</i></p> <ul style="list-style-type: none"> Job Design & Descriptions Organizational Change Design <p><i>Final Prep Phase</i></p> <ul style="list-style-type: none"> Organization Design Checklist/Scorecard <p><i>Go-Live Phase</i></p> <ul style="list-style-type: none"> Organization Design Go-Live Implementation Support

Job Description and Design

WORK PRODUCT	DESCRIPTION	USE	KEY ACTIVITIES
Job Description and Design	<ul style="list-style-type: none"> Once the BEACON HR/Payroll Job Impact Assessment is completed, state organizations will need to determine what changes need to occur, if any, to job positions For each new/modified BEACON HR/Payroll related job position, it is recommended that state organizations establish objective job roles and responsibilities as well as identify required knowledge and skills for each job 	<ul style="list-style-type: none"> Approach for improving productivity and/or the quality of the work experience in new BEACON HR/Payroll environment Defines tasks and structure needed to successfully accomplish work Considers goals of state organization, process and how work gets distributed Provides input to job evaluation 	<ul style="list-style-type: none"> Activity 1: Develop job design & descriptions approach guide Activity 2: Develop & conduct state organization job design workshops Activity 3: Identify roles & responsibilities by job Activity 4: Identify knowledge and skills by job Activity 5: Develop job descriptions Activity 6: Create job design & descriptions final report

Organizational Change Design

WORK PRODUCT	DESCRIPTION	USE	KEY ACTIVITIES
Organizational Change Design	<ul style="list-style-type: none"> Organizational Change Design identifies the nature of any changes to the State's organizational structure that are required to implement and support BEACON HR/Payroll systems, processes and shared services strategy Leadership agreements among state organizations will be required to implement new organizational structures and a policy review process will need to be put in place to make revisions to applicable policies 	<ul style="list-style-type: none"> Provides conceptual solution of organizational infrastructure required for implementation of BEACON HR/Payroll business processes Helps the State prioritize these needs and address most critical structural problems first Establishes the groundwork for implementing a shared services organization 	<ul style="list-style-type: none"> Activity 1: Identify organization change design objectives Activity 2: Develop organizational change design approach guide Activity 3: Develop & conduct state organizational change identification workshops Activity 4: Identify structure changes required to implement HR/Payroll processes Activity 5: Develop approach for implementing organizational structure changes Activity 6: Identify changes to policies & procedures Activity 7: Develop plan to create a policy task force Activity 8: Identify agreements needed from state leaders

Organizational Design Checklist

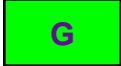



WORK PRODUCT	DESCRIPTION	USE	KEY ACTIVITIES
Organizational Design Checklist	<ul style="list-style-type: none"> ▪ The Organization Design Checklist is an itemization of activities to complete changes in the State's organizational structure, policies and procedures prior to go-live with the BEACON HR/Payroll solution ▪ The Organization Change Design deliverable provides the input for the development of this checklist 	<ul style="list-style-type: none"> ▪ The Organization Design Checklist includes the following types of items: <ul style="list-style-type: none"> – Gain approval of the State's new BEACON HR/Payroll related organizational designs – Map BEACON HR/Payroll business processes to organizational structures – State employees selected for new organizational structures 	<ul style="list-style-type: none"> ▪ Activity 1: Define organization design checklist framework ▪ Activity 2: Conduct organization design checklist review at each state organization ▪ Activity 3: Evaluate organization design checklist issues at CMOC, BST Sponsor and Lead Meetings ▪ Activity 4: Conduct organization design checklist issue contingency planning workshops with Change Management Oversight Committee to keep the implementation of the organization change design on schedule

Measuring Organizational Change

Organizational Scorecard Used to Measure Change

- Organizational change scorecard is a useful tracking tool that:
 - Captures a snapshot of current progress each state organization is making to complete key BEACON HR/Payroll Project organizational change and workforce transition activities
 - Identifies key activities that state organizations may need additional support from the BEACON HR/Payroll Project Team to successfully complete in a timely manner
 - Allows state organizations to document concerns to the BEACON HR/Payroll Project Team, which may trigger the need for additional support
- Organizational change scorecard tracks progress with various BEACON HR/Payroll Project change and workforce transition activities such as:
 - Attendance at workforce transition workshops
 - Role descriptions and mapping requests
 - Job impact assessment requests
 - Job design requests
 - Organization change design requests
 - Workforce transition planning requests
 - Go-live implementation support

Organizational Change Scorecard Status

- When documenting the status of each task, the following color coding is used:
 -  – **Green:** Task completed before or on due date, no additional support needed by BEACON HR/Payroll Project Team
 -  – **Yellow:** Task not completed within 5 business days after due date, potential concerns may exist that require discussion with BEACON HR/Payroll Project Team
 -  – **Red:** Task not completed; BEACON HR/Payroll Project Team support required immediately
 -  – **Pink:** Task completion pending with special circumstances; BEACON HR/Payroll Project Team support required immediately
- Each cell in the organizational change scorecard spreadsheet is highlighted with the appropriate color

Organizational Change Scorecard Management

- The organizational change scorecard will be updated weekly to reflect updates to tracking various change management/workforce transition activities and will be posted in the password protected area on the BEACON HR/Payroll Project website
- Ongoing organizational change scorecard meetings, workshop and information requests will be focused on change management/workforce transition and communication activities

Realization Change Scorecard Example

For Period Ending: MM/DD/YY	Realization Phase Organizational Change & Workforce Transition Activities															
DUE DATE	MMDDYY	MMDDYY	MMDDYY	MMDDYY	MMDDYY	MMDDYY	MMDDYY	MMDDYY	MMDDYY	MMDDYY	MMDDYY	MMDDYY	MMDDYY	MMDDYY	MMDDYY	MMDDYY
Change/WFT Activity State Organization	Role Mapping Workshop	Map SAP User Roles to State Jobs	State Organization Role Mapping Communication	Job Impact Assessment Workshop	State Organization Job Impact Assessment	State Organization Job Impact Assessment Communication	Job Design & Description Workshop	State Organization Job Design & Description	State Organization Job Design & Description Communication	Organization Change Design Workshop	State Organizational Change Design	State Organizational Change Design Communication	Workforce Transition Strategy Workshop	State Organization Workforce Transition Strategy	State Organization Workforce Transition Strategy Communication	Workforce Transition Planning Workshop
Administrative Office of the Courts																
Crime Control & Public Safety																
Department of Admin./Lt. Governor's Office																
Department of Agriculture																
Department of Commerce																
Department of Corrections																
Department of Cultural Resources																
Dept. of Environment & Natural Rsrces.																
Dept. of Health & Human Services																
Department of Insurance																
Department of Justice																
Dept. of Juvenile Justice & Delinq. Prev.																
Department of Labor																
Department of Public Instruction																
Department of Revenue																
Department of Transportation																
Employment Security Commission of NC																
General Assembly - Fiscal Research																
Education Lottery																
Information Technology Services																
NC Community College System																
NC Housing Finance Agency																
Office of Administrative Hearings																
Office of the State Auditor																
Office of the State Controller																
Department of the Secretary of State																
State Board of Elections																
Office of State Budget & Mgmt./Gov's Office																
Department of State Treasurer																
Wildlife Resources Commission																
Office of State Personnel																
NC School of Science & Math																
State Health Plan																
Overall Scorecard Scoring																

Next Steps

Next Steps

- To maintain project and change management momentum, and to continue to support the success of this project, the Change / Communications Team will:
 - Validate this strategy with BEACON HR/Payroll Project leadership
 - Review the timing, content, and approach recommendations with leadership
 - Validate this approach and modify as needed
 - Communicate Organizational Change Strategy to project stakeholders
 - Briefing sessions with Change Management Oversight Committee and BEACON Support Teams
 - Disseminate final document to PMO and CMOC
 - Start Pre-Realization Phase Change Management activities
 - Develop leadership strategy and action plans
 - Facilitate assessment of “future state” process design organizational impacts